



JUPITER[®]
ENGINEERING THE FUTURE

JUPITER WAGONS LIMITED

CIN: L28100MP1979PLC049375

Corporate Social Responsibility (CSR) **Policy**

1. Preamble

Jupiter Wagons Limited (**JWL or Company**) recognizes the profound impact businesses can have on society and the environment. Guided by its core values and a steadfast commitment to ethical conduct, JWL embarks on a journey of responsible corporate citizenship through its Corporate Social Responsibility (CSR) initiatives.

JWL commits to conduct business with the highest standards of integrity, transparency, and accountability. The company's commitment extends beyond financial success, embracing a holistic approach that considers the well-being of our planet and all its inhabitants.

JWL acknowledges the significant influence of its business operations on the communities it serves. Recognizing this impact, the company emphasizes the importance of implementing effective practices that consider the interests of various stakeholders, including shareholders, customers, employees, suppliers, business partners, local communities, and other organizations. JWL is committed to integrating Corporate Social Responsibility (CSR) into its core business processes to promote sustainable development.

The company is dedicated to enhancing shareholder wealth while simultaneously conducting its business in an accountable manner that generates a lasting positive impact on society. The CSR Policy of JWL is designed to ensure that all developmental activities and initiatives are accessible to deserving segments, such as children, women, the elderly, and individuals with disabilities. This commitment is particularly evident in areas like education, healthcare, sanitation, community welfare, skill development, and infrastructure development.

2. Scope and applicability

JWL CSR policy aligns with the requirements outlined in Section 135 of the Companies Act, 2013, along with its amended rules and the provisions of Schedule VII of the Act.

This policy is intended to encompass all CSR initiatives, including projects, programs, and other authorized activities sanctioned by JWL CSR Committee.

3. Effective Date

This policy shall be effective from the date of approval from the Board, unless stated otherwise.

4. Objective

The main objective of CSR Policy is to lay down guidelines to make CSR a key business process for sustainable development for society. It aims at supplementing the program of the Government in enhancing welfare measures of the society based on the immediate and long term social and environmental consequences of their activities.

The key objectives of this policy are to:

- a. Define CSR and the approach adopted to achieve our CSR Objectives
- b. Define the kind of activities/projects that will come under the ambit of CSR3. Identify broad areas in which the company will participate
- c. Serve as a guiding document to help execute and monitor CSR activities
- d. Elucidate criteria for partnering implementation agencies

5. Definition

In this policy, the meanings assigned to the following words, terms, expressions, and their derivatives in the Act will apply unless the context indicates otherwise or if something is undefined.

- a. **"Act"** refers to the Companies Act, 2013, along with any rules made under it and any amendments made to it from time to time.
- b. **"Administrative overheads"** refers to the expenses borne by the Company for the 'general management and administration' of Corporate Social Responsibility functions within the Company. However, these expenses do not encompass the costs directly associated with the design, implementation, monitoring, and evaluation of a specific Corporate Social Responsibility project or program.
- c. **"Board"** means the Board of Directors of the Company
- d. **"Corporate Social Responsibility (CSR)"** means and includes but is not limited to:
 - i. Projects or programmes relating to activities specified in Schedule VII to the Act or
 - ii. Projects or programme relating to activities undertaken by the board of directors of a Company (Board) in pursuance of recommendations of the CSR Committee of the Board as per the declared CSR Policy of the Company subject to the condition that such policy will cover subjects enumerated in schedule VII of the Act
- e. **"CSR Committee"** means the Corporate Social Responsibility Committee of the Board referred to in section 135 of the Act.
- f. **"CSR Policy"** relates to the activities to be undertaken by the company as specified in Schedule VII to the Act and the expenditure thereon, excluding activities undertaken in pursuance of normal course of business of a company)
- g. **"Net profit"** means the net profit of a company as Per its financial statement prepared in accordance with the applicable provisions of the Act, but shall not include the following namely:
 - i. Any profit arising from any overseas branch or branches of the company, whether operated as separate company or otherwise; and
 - ii. Any dividend received from other companies in India, which are covered under and complying with the provision of section 135 of the Act.

6. CSR Committee

JWL has a Board Level Sub-Committee herein after referred to as CSR Committee consisting of three or more Directors out of whom at least one shall be an Independent Director. The Company Secretary shall act as the Secretary to the Committee. The composition of the Committee will be displayed on the Company's Website, post the approval of the Policy by the Board. The Committee will report to the Board of Directors of the Company.

The CSR Committee shall be responsible for the following:

- a. formulate and recommend the CSR policy to the Board
- b. recommend the amount of expenditure to be incurred on CSR activities
- c. monitor the CSR policy of the company from time to time; and
- d. formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy, which shall include the items as mentioned in rule 5(2) of the Companies (CSR Policy) Rules, 2014

- e. submit an annual report of CSR projects/activities to the board
- f. propose to the Board any modifications to the Annual Action plan at any point during the financial year, supported by reasonable justification for such changes

7. Meeting

The CSR Committee shall meet as and when desired / deemed necessary.

8. Sitting fees

The Sitting fees for attending the meeting shall be determined from time to time by the Board of Directors

9. Quorum

Quorum of meeting of CSR Committee shall be one third of the total strength or two directors, whichever is higher. The CSR Committee may invite Executives, Advisors, representatives of Social Organizations, Auditors of the Company and such other person (s) as it may consider necessary to attend the meeting.

10. Responsibilities of Board

- a. approve the CSR policy
- b. disclose contents of such policy in its report and also place it on the company's website
- c. ensure that the activities included in the CSR policy are undertaken by the company
- d. ensure that the company spends, in every financial year, at least two per cent of the average net profits of the company made during the three immediately preceding financial years
- e. satisfy itself regarding the utilisation of the disbursed CSR funds
- f. if the company fails to spend at least two per cent of the average net profits of the company, the Board shall, in its report made under clause (o) of sub-section (3) of section 134, specify the reasons for not spending the amount and transfer the unspent CSR amount as per provisions of sections 135(5) and 135(6) of the Act

11. CSR focus area

All CSR activities are identified in consultation with the community. The assessment is based on need at grass root level to reach out the beneficiary. Actions are / shall be initiated to implement, integrate and evaluate best practices of CSR initiatives.

The CSR activities being pursued / to be pursued will be focused not just around JWL's plants and offices, but also in other geographies based on the needs of the communities. CSR activities of JWL will cover the following focus areas:

- a. **Promotion of quality education** especially among children in the remote areas deprived of the basic education, including:
 - i. financial support to govt. schools and charitable organizations running schools on non-commercial consideration; non-formal education programmes
 - ii. supporting schools with infrastructure facilities

- iii. supporting children for higher education
 - iv. transport and other facility to attract children to schools
 - v. adult literacy for women
 - vi. providing of Hostel facilities for students and working women
- b. **Promoting health care** including Preventive Health care through awareness programmes, health check-ups, provision of medicine & treatment facilities, providing pre-natal & post-natal healthcare facilities, prevention of female foeticide through awareness creation, program for preventing diseases and building immunity. Operation of mobile dispensary to serve the people residing in remote areas deprived of basic medical facilities and to the under privileged class, industrial workers and people of surrounding villages. Organising Blood Donation camps.
- c. **Employment and livelihood enhancing vocational skills and projects** include initiatives on vocational trainings, skill development, women empowerment, digital literacy, rural development etc.
- d. **Promotion of rural and nationally recognized sports through:**
- i. adoption of games and sponsoring of events to attract local talent to the games
 - ii. scholarships to deserving players for training & Development of their skills and improved nutrition
 - iii. provision of sports items to the schools and athletic organization
- e. **Rural Developments projects such as:**
- i. excavation and deepening of ponds
 - ii. construction of roads, drains and other public utilities
 - iii. drinking water supply arrangements including borewells, tanks and pipelines
 - iv. electrification of public places
 - v. Support initiatives in rural areas on health and hygiene
- f. **Social business projects** for eradication of poverty and empowerment of under privileged through generation of alternative source of income to the villagers such as promotion of:
- i. dairy activities among villagers through sustained support for:
 - a. breed improvement for higher yield
 - b. veterinary support
 - c. procurement of high yielding animals
 - d. preservation of perishable products
 - e. promotion of high yielding fodder
 - ii. organic farming, bio-methanation and vermi-compost fertilizer projects
 - iii. use of hybrid seeds in agriculture for improved yields
 - iv. water recharging/harvesting among the farmers
 - v. support for formation & operation of SHG and JLG
 - vi. old age homes for senior citizens and homes for students and working women
- g. **Ensuring environmental sustainability and ecological balance through:**
- i. plantation drives
 - ii. reviving endangered plants, promoting agro forestry
 - iii. protection of flora & fauna /promoting biodiversity
 - iv. conservation of natural resources
 - v. maintaining quality of soil, air & water

- vi. adoption of wastelands to cultivate plants
- vii. animal welfare and veterinary services
- viii. promoting alternate energy resources
- ix. technical support and knowhow for improving farming and building capacities of small farmers

h. Eradicating hunger, poverty and malnutrition

- i. provision of food, nutrition supplement, clothes, etc. for the poor, children and other deprived sections of the society
- ii. supporting nutrition in anganwadi centres and building capacities of anganwadi workers to this effect
- iii. provision of shelter for homeless
- iv. promoting sanitation including support for potable drinking water and toilets

i. Contribution for CSR activities:

- i. To contribute to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief
- ii. To contribute or provide funds to technology incubators located within academic institutions which are approved by the Central Government
- iii. To contribute to any fund setup by the Central Government or State Government(s) including Chief Minister's Relief Fund, which may be recognized as CSR activity
- iv. To promote sustainability in partnership with industry associations in order to have a multiplier impact
- v. To contribute for welfare of armed forces personnel, war widows and their dependants

j. Other activities:

- i. Swachh Bharat Kosh
- ii. Clean Ganga Fund
- iii. Prime Minister's National Relief Fund (PMNRF)
- iv. Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund)
- v. Any other fund set up by the Central Government and notified by the Ministry of Corporate Affairs, for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women
- vi. Contribute for welfare of armed forces personnel, war widows and their dependants

12. Annual CSR budget

In line with the requirements of the Companies Act, 2013, JWL shall earmark as CSR Budget, at least 2% of the average of net profits of the company made during the three immediately preceding financial years. The surplus arising out of the CSR activities, projects or programs shall not form part of the business profits of the company and shall be utilized for CSR activities only. Any unutilized amount shall be carried over to subsequent year to be used only for CSR activities.

13. Administrative overhead

Administrative overheads are the expenses incurred by the JWL for 'general management and administration' of CSR functions. However, the expenses which are directly incurred for the designing, implementation, monitoring,

and evaluation of a particular CSR project or programme, shall not be included in the administrative overheads. The Board to ensure that the administrative overheads expenses not to exceed 5% of the total CSR expenditure of the Company for the financial year.

14. Surplus arising from CSR activities

Surplus arising out of the CSR projects or programmes, or activities shall not form part of the business profit of JWL.

15. Excess CSR spent

The excess amount can be set off against the required 2% CSR expenditure up to the immediately succeeding three financial years subject to compliance with the conditions stipulated under rule 7(3) of the Companies (CSR Policy) Rules, 2014.

16. Creation or Acquisition of Capital Assets

The CSR amount can be spent for creation or acquisition capital assets which shall be held by:

- a company established under section 8 of the Act or Registered Public Trust or Registered Society, having Charitable objects and CSR Registration Number under the Rules;
- beneficiaries of the said CSR project, in the form of self-help groups, collectives, entities;
- public authority

17. Unspent amount

If JWL spends less than the amount required to be spent under their CSR obligation, the Board shall specify the reasons for not spending in the Board's report and shall deal with the unspent amount in the following manner:

Nature of unspent amount	Action required	Timelines
Unspent amount pertains to 'ongoing projects'	Transfer such unspent amount to a separate bank account of the company to be called as 'Unspent CSR Account'.	Within 30 days from the end of the financial year.
Unspent amount pertains to 'other than ongoing projects'	Transfer unspent amount to any fund included in Schedule VII of the Act	Within 6 months from the end of the financial year

18. Implementation

Every year, the CSR Committee will place for the Board's approval, a CSR Plan delineating the CSR Programs to be carried out during the financial year and the specified budgets thereof. The Board will consider and approve the CSR Plan with such modifications that may be deemed necessary.

The CSR Committee will assign the task of implementation of the CSR Plan within specified budgets and timeframes to such approved persons or bodies as it may deem fit. The persons/bodies to which the implementation is assigned will carry out such CSR Programmes as determined by the CSR Committee within the

specified budgets and timeframes and report back to the CSR Committee on the progress thereon at such frequency as the CSR Committee may direct.

In case of any doubt with regard to any provision of the policy and also in respect of matters not covered herein, a reference to be made to Corporate HR department who in turn shall seek the clarification from the CSR Committee.

In all such matters, the interpretation & decision of the CSR Committee shall be final.

Any or all provisions of the CSR policy would be subject to revision/amendment in accordance with the Rules and guidelines on the subject as may be issued by the Government, from time to time, subject to approval of the CSR Committee.

19. Implementing agency

The implementing agency should be:

- a. a company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80G of the Income Tax Act, 1961, established by the Company, either singly or along with the other agency.
- b. Entity established by the Central Government or State Government – a company established under section 8 of the Act, or a registered trust or a registered society.
- c. any entity established under an Act of Parliament or a State legislature.
- d. a company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80G of the Income Tax Act, 1961, and having an established track record of at least three years in undertaking similar activities.

Form CSR -1 – (Rule 4(2) of CSR Rules, 2021) provides that: The eligible entities through which the company has undertaken the CSR Project or Programme will require to register itself with the Central Government by filing electronically e-Form (CSR-1) with effect from 1st April 2021 and get the unique CSR Registration Number generated by the system automatically.

20. Monitoring

The CSR Committee shall review the implementation of the CSR Programs periodically and issue necessary directions from time to time to ensure orderly and efficient execution of the CSR Programs in accordance with this Policy.

The CSR Committee will review periodically and keep the Board apprised of the status of the progress of implementation of the approved CSR Programs and at the end of every financial year, the CSR Committee will submit its report to the Board.

Further, on the recommendation of the CSR Committee, the Board may review and amend this Policy from time to time. The Company reserves the right to modify, cancel, add to, or amend this Policy, with the approval of the CSR Committee / Board of Directors.

21. Impact assessment

JWL to conduct impact assessment in following cases as per Rule 8(3) of the Companies (CSR Policy) Rules, 2014 mandates:

- Minimum average CSR obligation of Rs. 10 crore or more in the immediately preceding 3 financial years; and
- CSR projects with outlays of minimum Rs. 1 crore and which have been completed not less than 1 year before undertaking impact assessment.

Impact assessment shall be carried out project-wise only in cases where both the above conditions are fulfilled.

22. CSR reporting and disclosure

Board's Report shall include an annual report on CSR containing particulars specified in Annexure I or Annexure II of the CSR Rules, 2014.
